

AGENCY DESCRIPTION

The Fair Political Practices Commission has primary responsibility for the impartial administration, implementation and enforcement of the California Political Reform Act of 1974, as amended by legislative and initiative enactments.

The purposes of the Political Reform Act of 1974 are to:

1. Ensure that election campaign contribution and expenditure data is fully, accurately and timely disclosed so that the voters may be fully informed and to inhibit improper financial practices;
2. Regulate the activities of lobbyists and disclose their finances to prevent any improper influencing of public officials;
3. Provide for the disclosure of assets and income of public officials that may affect their official actions to avoid any conflicts of interest;
4. Ensure that the state ballot pamphlet contains useful and adequate information so that the voters will not be entirely dependent upon paid advertising for information concerning state measures;
5. Eliminate laws and practices that unfairly favor incumbents to provide for fair elections; and
6. Provide adequate mechanisms to public officials and to private citizens to ensure vigorous enforcement of the law.

In 1996, California voters passed Proposition 208, the California Political Reform Act of 1996, which became effective January 1, 1997. Proposition 208 made extensive changes to the laws administered by the FPPC. The new law limited campaign contributions, established voluntary spending limits for all candidates, and imposed fund-raising time limitations to name only a few of the many changes accomplished. However, several organizations filed suit against the Commission to invalidate the new law. In January, 1998 a federal district court ruled that certain parts of Proposition 208 were unconstitutional and issued a preliminary injunction barring the Commission from enforcing any of the proposition. The Commission has appealed the ruling to the 9th Circuit Court of Appeals, but cannot enforce Proposition 208 until the injunction is lifted. A ruling on the scope of the injunction is anticipated by early 1999. Further litigation will, in all likelihood, ensue.

To meet its responsibilities under the Act, the Commission adopts and amends regulations. It also develops required forms, prepares manuals and instructions, provides written and oral

advice, aids agencies and public officials with record keeping and reporting, and maintains a central file of economic interest statements for certain state and local officials. The Commission also investigates possible violations of the Act, imposes sanctions against violators, and assists state and local agencies in the development and enforcement of conflict-of-interest codes.

The Commission's staff is organized into five divisions: enforcement, legal, technical assistance, administration, and executive. The enforcement division investigates and prosecutes administratively violations of the act. The legal division interprets the act by developing regulations and giving advice on specific sections of the act. It also represents the Commission in litigation. The technical assistance division trains and assists those governed by the Act and maintains the central file of economic interest statements for public officials required to file with the commission. The commission's budget, business services, data processing, and personnel functions are directed by the administration division. Finally, the executive division is comprised of the Chairman, who serves as the senior manager of the organization; the Executive Director, who also serves as senior administrator, the Legislative Coordinator; the Media Director; and the Assistant to the Chairman, who serves as Commission Secretary.

The Commission Chairman is appointed to a single four-year term by the Governor, and the Executive Director serves at the pleasure of the Commission. The Commission is composed of four commissioners, in addition to the Chairman, each of whom serve single four year terms upon respective appointment by the Attorney General, Controller, Secretary of State, and the Governor. The additional Governor's appointee must be from a party other than his or her own, and no more than three members may be from the same political party. The Chairman serves full time, and receives a salary equivalent to that of the President of the Public Utilities Commission. The other commissioners receive a per diem payment and expense reimbursement.

For fiscal year 1997-98, the Commission's budget was approximately \$6.1 million, with 81 budgeted positions. For fiscal year 1997-1998, the Commission's funding has been reduced to \$5,223,000, based on the decision of the federal court to enjoin the Commission from enforcing the provisions of Proposition 208. The Commission's budget is allocated from the State's General Fund, and is protected in part by certain statutory continuing appropriations.